

Name and effective date of the law

This law shall be called the Palestinian Income Tax Law

Number () for the year (), and shall come in effect as from / /

Article Two Definitions

The following terms shall have the following meanings, unless specified otherwise:

1. **Palestinian National Authority:** The official Palestinian body and its interdependent agencies, authorities and institutions.
2. **The Council:** The Palestinian Legislative Council (PLC)
3. **The Minister:** The Minister of Finance
4. **The Directorate :** Income Tax Directorate
5. **The Director General:** Director General of Income Tax Directorate
6. **Tax :** Income tax imposed in terms of this law
7. **Tax Estimator/ Adjustment Officer:** Any employee, or committee of employees, authorized by the Director General in writing to adjust and audit tax sheets.
8. **Person:** Any person or legal person (institution), except for ordinary resident companies.
9. **Legal Person (Institution):** Any institution or organization authorized by the law, and may include the companies as defined in Term 10 below, or any corporate or association of all types; it may also include any group of persons.
10. **Company:** Public or private joint-stock companies, registered in Palestine or abroad, working in trade and enjoying an independent legal personality status. The definition also includes any foreign company or any branches thereof, resident or non-resident including foreign solidarity companies (ordinary non-resident companies) and any not-for-profit companies or organizations.
11. **Local Authority:** Any village or municipal councils or any joint-services council or any similar bodies or authorities formed in accordance with the law.
12. **Taxpayer:** Any person liable to taxes in accordance with this law.
13. **Total Income :** The total of the taxpayer's revenues made through the different sources of income set forth in this law.
14. **Net Income :** Total income after subtraction of legal deductions.
15. **Taxable Income :** The total of net revenues after subtraction of losses, donations and exemptions made in compliance with this law.
16. **Building :** Any established building and includes garden or yard or/ and surrounding piece of land, which is used as part of the building facilities and which was made to be used as part of the building.
17. **Married person:** Any person tied with a legitimate marriage contract as set forth by the law, provided that both spouses are alive, and that they were not divorced or separated.
18. **Year:** The period of time starting on the first day of January and ending on the last day of December of the same year, while taking into consideration other special time estimates made in this law.
19. **Basis year:** The last year during which the taxpayer income was estimated and became effective.
20. **Resident:** a) Any Palestinian who resided or lived in Palestine (West Bank and Gaza Strip) for a period not less than a hundred and twenty days, interrupted or in a row during the year in which revenues are calculated. Absence of such person from Palestine is considered "temporary" and within reasonable limits, provided that he/ she has a permanent address and work in Palestine. This category also includes any Palestinian forced to leave the country.

B) Any Palestinian residing outside Palestine and employed by any official or quasi-official Palestinian institution; or any of the employees of such institutions delegated for a mission by the Palestinian government to work for any “legal person” outside Palestine.

C) Any non-Palestinian person who has lived in Palestine during the year in which he/ she earned his/ her income for a total period of not less than one-hundred and eighty-three days, whether consecutive or interrupted stay.

D) Any non-Palestinian person who lives in Palestine regardless of the length of his/ her stay, if he/ she is employed by any institution (legal personality) in Palestine or if he/ she is a specialist employed for an industrial project has the right to be exempt of tax payment, in conformity with the laws in effect including the Law on the Encouragement of Investment, provided that these exemptions conform with the length of stay.

E) Headquarters or branches of any institution established in compliance with the Palestinian laws or other laws, with practice of administration of such work.

Article Three

Taxable Income

Taxes shall be imposed on income earned by any person in Palestine (West Bank and Gaza strip) or collected therefrom including:

- A- Revenue or profits or benefits or earnings of any work or labor or profession or commerce or industry regardless of the period during which this income was earned, or on any separate contract or deal, which constitutes an act of trade or commerce.
- B- Income earned in form of wages or salaries or other payments, and on any bonuses or rewards or perks or advantages or any regular or irregular payments, whether cash or in kind of any sort and from any source or nature if related to the person's employment. These revenues include allowances for attendance or type of employment and any cash payments made to employees for housing, food or residency.

This category does not include payments made for temporary lodging, per diems for food or stay, special representation allowances, which represent the allocations paid to officials of Palestinian governmental bodies, and to employees of any dependent body or institution for purposes of representation and that these payments are part of the salary. Any allowance paid to the employee or the employed for living or trips for the interest of work shall also be exempted. The following provisions shall apply to such allowances:

 - 1) No taxes shall be levied on payments for temporary stay or per diem paid for temporary lodging or dining.
 - 2) No income taxes shall be levied on representation allowances.
 - 3) No income taxes shall be levied on living allowances or travel bonuses paid to civil servants.
 - 4) No income taxes shall be levied on travel or transportation allowances paid to employees of the private sector, provided that these payments do not exceed 10% of the employee's basic salary.
 - 5) No income taxes shall be levied on living subsidies paid to employees of the private sector provided that such subsidies (allowances) are used for the purpose of work.
 - 6) No taxes shall be levied on entertainment allowances provided that they do not exceed 10% of the basic salary or JD400.00 per year whichever is less.
 - 7) No income taxes shall be levied on travel or transportation allowances paid to every member of Boards of Directors, provided that such payment does not exceed JD750.00 a year per membership if the member is resident, and JD1000.00 if he/ she is not resident. In both cases the total sum exempted should not exceed JD2000.00 a year regardless of the number of memberships (Board memberships held by every person).
- C- All salaries, wages, bonuses, rewards, representation allowances, commissions and every regular or irregular payments, in cash or in kind, made by foreign states or international agencies in exchange of services performed in Palestine, unless such payments are exempted of taxes per a special law or an international convention ratified by the concerned Palestinian national authority.

- D- Any legal or contractual commitments or any sums paid once a year.
- E- Profit, interests, commissions, deductions, currency exchange differences and dividends on shares and bonds of all types, and the trade therein taking into consideration the provisions of Article Seven of this law.
- As regards outstanding interests and commissions resulting from outstanding debt to be collected by banks or financial institutions, they shall be liable to taxes when reimbursed.
- Outstanding interests and commissions must comply with the following terms for income tax purposes:
- 1) All outstanding debt to be collected by banks and financial companies must be the result of investment in the Palestinian territories only.
 - 2) The financial institution must prove that it had given its customer facilities based on personal guarantees or mortgages or warranties, which secure reimbursement of these loans.
 - 3) If the customer fails to honor reimbursement (payment of installments) for six consecutive months although he/ she is requested to do so.
 - 4) The financial institutions must submit a detailed inventory every year showing the names of indebted customers and all data related to their debt including the collateral, date on which they stopped reimbursements, legal procedures made against them and the value of outstanding interests and commissions.
 - 5) The financial institutions must abstain from giving the indebted customer any certificate detailing outstanding interests or commissions or payments, which could be presented to tax collectors (estimators) for purposes of deductions or exemptions provided for in this law.
 - 6) Presenting a certificate from the Palestinian Monetary Authority stating outstanding interests and commissions for that period.
- F- lease-to-own contracts
- Investment in lease-to-own contracts shall be considered as taxable sale operations, and shall be subject to the following provisions:
- 1- The lessor shall pay taxes on the total value of the property; earned income shall be distributed over the years of the duration of contract.
 - 2- The tenant shall be considered buyer and "owner" of the property whether this property be "estate" or "movable asset". No deductions shall be made on the sums payable by the tenant as he/ she is a lessee.
 - 3- The tenant shall have the right to count depreciation on the leased property, if such a property is liable to depreciation in terms of the income tax law.
- G- Incomes earned as a result of contracting, tendering and bidding
- H- Profit and gains made as a result of sale of lands or properties for trading purposes. Such profit and gains, if made by persons who do not exercise sale of lands and properties as a profession, shall be taxable if sale is made within five years from the buying date. No taxes shall be imposed on any person (natural personality) if he/ she sells his/ her residence that he/ she owns in Palestine once every five years.
- Income made in compliance with the provisions of this paragraph shall be calculated on the basis of the difference between the price of sale and the purchase cost, which constitutes of the purchase price in addition to fees, commissions, establishment cost and a percentage of 10% of the purchase price for every year during which the property is owned.

The provisions of this paragraph do not apply on cases of inheritance or transfer of property of estate or lands between family members, husband and wife, brothers and sisters. Transfer of property in this way shall not be considered as sale subject to the provisions of this paragraph unless this sale is made for commerce or trade purposes.

- I- Rewards, lotteries, gains from gambling and any revenue resulting from illegitimate works or professions.
- J- Revenue resulting from lease of movable or immovable assets, including any privileges collected by the property owner as well as interests, installments and other profit resulting therefrom.
- K- Revenue generated by irrigated agricultural activities, or greenhouse cultures provided that the area of the land invested in irrigated culture is not less than 50 donums (50,000 square meters), and in greenhouses 6 donums (6,000 square meters) per family.

Alternative suggestion: exempting income generated by agricultural activities of all types and size:

- L- Income generated by livestock breeding, pisci-culture, beehives, and poultry for trade purposes.
- M- Revenues from agents agreements, representation, mediation agreements, brokerage of all types, and any other similar acts and activities whether the source of such revenue is inside or outside Palestine, provided that the activity or mediation is made in or from Palestine.
- N- Income made from studies, consultancies, experts' contracts, arbitration or any other similar activities.
- O- Levies on intellectual property rights (patents), including any sums paid in exchange of using or acquiring the right to use publication rights of any literary, artistic or scientific productions, or any trademark, creative works, inventions, models, plans, schemes, formulae, secret combinations, or in exchange of using or acquiring the right to use any industrial, commercial or scientific equipment, or in exchange of information related to industrial, scientific or commercial experiments. Income made in compliance with the provisions of this paragraph shall be divided over four years¹.
- P- Payments in the form of *khilow* (money paid to relinquish lease-hold), *Miftahiah* (Money paid to landlord to acquire lease-hold, and goodwill, provided that these payments are equally distributed over four years.
- Q- Revenue from any land, sea or air transportation for residents and non-residents.
- R- Income of insurance companies with deduction of the reserve set on insurance risks of all types, except life insurance
Reserve on insurance risks means the sums assigned by insurers in the end of any fiscal year to honor any commitments which may emerge after the termination of this year as a result of insurance contracts made before this date, and still in effect, except for life insurance contracts.
Reserve on insurance risk may not exceed 30% of insurance premiums, provided that this percentage is calculated on the basis of the total premiums with the

¹Not quite clear what they mean by this

- deduction of installments reimbursed to insured and premiums paid to re-insurers in compliance with the annual agreements made in this regard.
- S- Revenue from services provided in Palestine by non-resident companies like services of electricity, water, transportation, consultancy or any other similar services.
- T- Profit, interests, commissions and returns of financial investments and profit generated by trade in currencies, precious metal, financial securities made outside Palestine by an Palestinian person or resident, provided that such gains are made on his/ her moneys or deposits in Palestine.
- U- Profit and earnings made from export of services, goods and merchandise from Palestine shall be considered gained in Palestine.
- V- Revenue on investments of funds for pension, savings, health insurance or any other similar funds.
- W- Profits or earnings of any other source not mentioned in the paragraphs of this article, unless such profits or earnings are explicitly excluded of these paragraphs or exempt of taxes in compliance with the provisions of this law or any other law.

Article Four

Taxes of Insurance, re -insurance companies, ships owners, ...

Unless otherwise specified in this law or any other law, the following shall apply:

- 1- Taxes shall be payable by life insurance companies with a percentage of 5% of the total life insurance installments; life insurance departments shall be excluded from the company's budget for purposes of calculating income tax.
- 2- Taxes shall be payable at a percentage of 4% of the value of contracts concluded by re-insurance companies with insurance companies operating in Palestine directly or via a third party.
- 3- Taxes shall be payable on the total revenue of the non-Palestinian owners of ships, planes, land vehicles whose headquarters are outside Palestine at a percentage of 5% for their tickets sold in Palestine or any fees paid in exchange of transportation services provided by them.
- 4- Any person receiving profit or income that is taxable in terms of this law that belongs to another person not residing in Palestine, or
 - paid or payable to a person not residing in Palestine, or transferred to the account of such person in the form of profit or income subject to the provisions of this law, when such payment is made outside Palestine
 - deduct a percentage of 10% on such payment and pay the deducted sum to the concerned income tax department in a period not exceeding fifteen days of the date of payment or deduction, whichever is shorter.
- 5- A tax of 10% shall be levied on the net revenue made by any branches of Palestinian companies operating outside Palestine, and reported in the companies' final accounts ratified by an external auditor.
- 6- A tax of 25% shall be levied on the value of rewards or lotteries made in Palestine and outside Palestine by any Palestinian or resident person, whether they are in cash or in kind.
 - A tax of 10% shall be levied on lottery tickets issued by any person or company and sold in Palestine.
 - As regards banks and joint stock companies dealing with lottery without sale of tickets, the reward shall be considered as expenses deductible from the net revenue provided that it does not exceed (50,000) fifty thousands Jordanian Dinars a year or (1%) of the net revenue, whichever is less.
- 7- A tax of 10% shall be payable on the total revenue generated by services of water and electricity provided in Palestine by non-resident companies or persons.
- 8- A tax of 10% shall be payable on the total revenues of theaters, cinemas, clubs, carnivals, night clubs and any other similar activities.
- 9- An resident person who is an agent or a branch or a partner of a non-resident person, or who has trade relations with such person, responsible - on behalf of this non-resident person - for fulfilling the requirements and procedures stipulated for in this law.
- 10- Any taxes levied in compliance with the above-stated paragraphs shall be considered lump sum and final and cannot be deducted for whatever reason. Any person paying revenue to any of the persons or institutions mentioned above, or any person receiving such revenue shall withhold the payable taxes and pay them to the concerned income tax department within a period of fifteen days. These taxes shall be considered the responsibility of this person. A fine of 2% shall be

imposed on every month of delay in paying such taxes, provided that such fine does not exceed 20% of the total payable taxes.

Article Five

Earned or expected income

- 1- Income shall be considered as earned once it is due regardless of the date it is paid, unless otherwise is specified in this law.
- 2- Taxes shall be imposed on taxable income made or earned by any person during any year by the end of the same year, notwithstanding loss of the source of income during the same year.
- 3- In calculating taxable income, the total taxable sums shall be rounded down to the nearest dinar.
- 4- Taxpayers holding regular assets accounts shall have the right to balance these accounts in dates other than December, provided that the Director or the assignee thereof approves of such dates. Taxes shall be levied on taxable income made during a full year ending on these dates. Taxpayers shall have the right to any deductions or exemptions set forth in this law.

Article Six

Income of husband or wife

- 1- Any husband and wife shall be considered as independent taxpayers.
- 2- The husband alone shall enjoy any deductions set forth in this law, save cases of personal exemptions made to the wife if she has her own source of income.
- 3- A husband may relinquish part or all of the exemptions he is entitled to in terms of this law for the benefit of his wife.
- 4- A husband and wife may request to merge their incomes and be considered as one taxpayer in the two following cases:
 - a- if the husband does not have an income taxable in Palestine
 - b- if the income of the husband is lower than the total value of allowable deductions. In this case, estimates shall be made in the name of the husband and taxes shall be collected from both or any of them.
- 5- A wife shall enjoy the deductions stipulated for in this law if she is the only breadwinner of the family or if she does not live with her husband. She shall also enjoy the deductions set forth in Article Twelve of this law as well as any deductions allowable to the wife in isolation of her husband.
- 6- Unmarried children under eighteen years old shall be included in the income of their father and taxes shall be calculated in the name of the father.
- 7- In case of death of both parents or either of them, each heir shall be considered as an independent taxpayer on the basis of his/ her share of the inheritance or any other income. The taxes payable by any heir under eighteen years old shall be estimated in the name of his/ her legal guardian or caretaker.
- 8- The husband shall undertake all the procedures set forth in this law as regards his income and his wife's income if she approves so.

Article Seven

Non-taxable Income

The following incomes shall be exempted of tax payment:

- 1- Revenues of local authorities and public institutions.
- 2- Revenues of syndicates from subscription and membership fees and donations.
- 3- Revenues of Zakat Committees or any benevolent, cultural, educational, correctional or health institution or association established as community institutions, which are not for profit, recognized by the Minister as not-for-profit community institution for purposes of tax exemptions.
- 4- Revenue of cooperatives for non-profit activities.

Exemptions set forth in paragraphs 1-4 above, shall not apply to income made from lease, *Khilow* (money paid to relinquish lease-hold), *miftahiah* (money paid to landlord to acquire lease-hold), goodwill, property and patent, and the revenues of any profession or craft.

- 5- Revenue of *waqf* (religious endowments), and investments of orphanages, zakat funds, worship establishments and religious institutions.
- 6- Any lump sum paid as compensation to the family of a deceased person or as lump compensation for work accident or termination of employment contract in compliance with the laws in effect.
- 7- Revenue of blind persons or persons with 50% disability made from any manual work or employment.
- 8- Salaries and allowances paid to non-Palestinian diplomatic employees representing other countries in Palestine, provided that there is reciprocity. As for payments to non-diplomatic employees, and employees of foreign consulates who are not Palestinian, they may be exempted to tax payments by a regulation from the Council of Ministers, and provided that there is reciprocity.
- 9- Allowances and bonuses paid to Foreign Service employees during their stay outside Palestine.
- 10- Income that is not taxable in accordance with bilateral or multilateral agreements to which Palestine adhered, including agreements to prevent taxation duplication set forth in this agreement.
- 11- Profit made from exports of agricultural and industrial products provided that all income in foreign currency is transferred to Palestine. This exemption shall not apply to exports to Israel that shall be taxable.
- 12- Capital profit made from the sale of assets included in the provisions regarding depreciation stipulated for in this law.
- 13- Income generated from rain-fed agriculture of all types and size, including gardening, fruit trees and breeding of animals, birds, poultry and home bees.
- 14- Lease value of buildings occupied by owner for residence or work or occupied by his/ her spouse, brother, sister, kin, or family or by any other person taken in charge by him/ her provided that the tax estimator is convinced that the property is used without pay. And buildings occupied by owner if this owner is an institution, or by the employees of this institution for lodging without pay. In the latter case, exemption shall apply on the lease value due to the owner and not to the employee occupying the property.

- 15- Profit, interest and dividend on shares due to legal personalities (institutions) and resulting from investment in Palestine.

Article Eight

Deductions allowable on Income (Deductibles)

In calculating the taxable income of any person, the expenses endured by this person shall be entirely and exclusively deducted in calculating the taxable income for that year, including:

- 1- Profit, interest paid to license banks and financial institutions if the tax estimator is convinced that such profit or interests are due for a borrowed capital, which was invested to make the taxable income. Profits and interests related to establishment fees shall not be subject to the same provision.
- 2- Salaries and wages.
- 3- Rent paid by any tenant for land or buildings or any other movable assets occupied or used by this tenant to produce the taxable income, provided that the rent value does not exceed the yearly depreciation made to used-up assets.
- 4- Payments in the form of *Khilow, Miftahiah*, goodwill, patent rights, provided that deductions are equally distributed over four years.
- 5- Pension or provident funds.
- 6- VAT paid by financial institutions.
- 7- Taxes and duties endured by taxpayers except for income tax imposed in conformity with this law.
- 8- Irrecoverable debts related to the source of income even if they were due before the beginning of the year. Any recollected debt, previously considered as irrecoverable, shall be taxable in the year it was collected. Deductions in terms of this paragraph shall not be applicable to sums that may be recollected in compliance with an insurance contract or otherwise.

Debts shall be considered irrecoverable (amortized) in the following cases:

- A- Court decision.
- B- Bankruptcy or over-indebtedness of the indebted.
- C- Death of the indebted without leaving any inheritance that could pay the entire or part of the debt.
- D- Loss or absence of the indebted for a period of not less than five years provided that legal measures are taken.
- E- Inability of the indebted to reimburse his/ her debt albeit legal measures, if he/ she proves that he/ she does not possess any movable or immovable assets and that three years have passed without repayment of debt. The sums deducted in terms of this paragraph may not exceed 2% of the total income or (20,000) twenty thousand dinars per year, whichever is less, for persons and private shareholders companies. They may not exceed 2% of the total income or (100,000) one hundred thousand Jordanian dinar per year, whichever is less, for public joint stock companies.
- F- Debt prescription
- 9- Donations in cash or in kind paid to the Palestinian Authority or to any of its public institutions within the following conditions:
 - A- Making an announcement or an invitation for donations by the Authority.
 - B- If the donor has regular accounts.

- 10- Donations in cash or in kind paid in Palestine to religious institutes, worship places, zakat funds provided that the Minister of Waqf approves of giving this status, and the sums paid to zakat funds provided that the donor keeps official vouchers stating the sums paid.
- 11- Sums spent on renovation of properties and rehabilitation of machines and equipment and replacement of tools and equipment.
- 12- Loss resulting from replacement of machines and equipment or of any of their accessories used for work purposes. These sums shall be calculated on the basis of cost of machines or equipment or their replaced accessories (parts), subtracting from this sum what was paid to the taxpayer of the price of the replaced machines, equipment or parts, and what was previously deducted as depreciation thereon.
- 13- Sums deducted by employers from employees for savings, provident or health insurance funds or for any other funds recognized by the Minister provided that such funds are set forth in the internal regulations, and the work performed by this person in accordance with these regulations is conform with his/ her commitments in terms of provident or social security funds, or in compliance with the laws in effect. Such funds must be separate or independent from the funds of the company or institution invested therein.
- 14- Approved percentage on the cost of movable assets including machines, equipment, furniture, industrial buildings with operating machines, owned legally and actually by the taxpayer, for amortization or depreciation during the year the income was made. In calculating these percentages, the instructions of the Minister, upon recommendation of the Director shall apply and shall be published in the official gazette.

The following provisions shall apply in calculation of depreciation:

- A. No depreciation shall be made on the value of land.
- B. Depreciation shall be the right of the legal and actual owner of the asset.
- C. All information regarding the depreciable assets must be submitted to the tax estimator
- D. The total depreciation may not exceed the cost of the asset.
- E. If the depreciation exceeds the total income, the balance shall be rotated to the next year or years.
- F. The approved depreciation rates may be increased in cases of extraordinary depreciation or amortization as a result of extra work shifts or unusual circumstances provided that these rates do not exceed the double rates approved in terms of normal depreciation.
- G. If a sole owner company is transformed into a private shareholding or vice versa, or in any other cases where the taxpayer is a partner, the remaining depreciation balance shall be calculated regardless of the new cost of the assets. If the taxpayer is not a partner, the new cost of movable depreciable assets shall be considered only if such assets are bought through public auctions.
- 15- Actual expenses paid by the employer for treatment of employees and workers or their families, or for life assurances against work accidents or death or sums paid for their meals in the workplace.
- 16- Cost of training of employees for work purposes at a percentage of 1% of the total income or 30000 Jordanian dinars, whichever is less.
- 17- The share of subsidiary or subsidiaries from the expenses of the headquarters outside Palestine at a percentage not exceeding 5% of the taxable income made by

the subsidiary or subsidiaries in Palestine, including depreciation on computers transferred from headquarters.

- 18- Entertainment cost provided that they do not exceed 1% of the total income or 20000 Jordanian dinars, whichever is less.
- 19- All expenses and costs related to activities or incomes which are not taxable in terms of this law or any other law, or in compliance with an international convention shall be excluded on the basis of the following equation:
Capital invested in the exempted activity as part of the total capital multiplied by the total debit expenditure and interests requested².
- 20- Establishment cost, pre-operational cost including fees and remuneration paid for economic feasibility study, wages of employees and other general expenses paid before the beginning of operation of the institution, fees of auditors during establishment, and cost of media campaign, provided that these sums do not exceed (20,000) twenty thousand Jordanian dinars for natural persons and private shareholding companies, and (100,000) one hundred thousand dinars for joint stocks.
- 21- 20% of collected annual rent allowance, instead of maintenance and depreciation expenses paid by taxpayers.

Article Nine

Deductibles for losses

- 1- The loss incurred by any person during the year shall be deducted from some of his/ her sources of income for the same year.
- 2- If the losses add up to an amount that cannot be fully deductible from the income earned by the person from other sources in the same year, the balance of this loss shall be carried further forward to four consecutive years provided that the following terms are applied:
 - a- It shall not be allowed to deduct more than half of the taxable income during each of the four years;
 - b- The carried forward loss shall be deducted as from the years that follow the year in which it was incurred on the same source of income.
 - c- Any person who wishes to count his/ her losses or carry them forward must hold legal assets account and submit such balances to the tax estimator.
 - d- No losses incurred by a non-taxable activity shall be liable to deductions or rotation in compliance with the provisions of this law.
 - e- In deducting losses, periods of compulsory cessation shall not be calculated as part of the years stipulated for in this article.

Article Ten

Non-allowable deductibles

No deductions may be made in terms of the following:

- 1- Personal, private or household expenses.
- 2- Cost of any construction or improvements, which lead to increasing or adjusting the value of the asset.
- 3- Civil and penal fines and contravention.

² Not quite clear

- 4- Loss incurred by sale of assets included in the provisions on depreciation in this law.
- 5- Any capital withdrawn or any sums used or any income intended to be used as a capital in another activity.
- 6- Any losses or expenses that may be recollected via an insurance policy or compensation contract.
- 7- Any sums which were or should be paid as an income tax or social services tax.
- 8- Any sums allocated for legal or obligatory (required) reserves or any other reserves with the exception of reserves on insurance risks related to insurance companies as set forth in Article Three of this law, and without prejudice to Article Eight of this law.
- 9- Any expenses or costs relating to the revenue earned from a non-taxable activity or income.
- 10- Any taxable salaries or wages or sums whose taxes were not withheld and paid to the concerned income tax department in compliance with the provisions of this law.
- 11- Salaries, wages, rewards and privileges in cash or in kind made to any partner in an ordinary company, or to any director who is also a partner, or to any shareholder in the company in exchange of their work or management of the company, provided that they do not exceed 12000 dinars per year per partner or shareholder and provided that the number of shareholders or partners working in the company does not exceed 50% of the total number of shareholders or partners. Taxes shall be levied on the actual sums paid to the partner or shareholder in exchange of their work or management of the company.
- 12- Inflation.

Article Eleven

Donations

Without prejudice to the provisions of Article Eight of this law, any person shall be allowed to deduct any sums he/ she paid in Palestine in the form of donation to a charitable, benevolent, educational or health institution recognized by the Council of Ministers, provided that the sums deductible in terms of this article do not exceed one fourth of the taxable income prior to deduction.

Article Twelve

Exemptions

In order to calculate the taxable income, the following exemptions shall be made:

- 1- Any resident natural person shall be granted the following annual exemptions:
 - 1200 Jordanian dinars for the person him/ her self
 - 400 Jordanian dinars for each of his parents
 - 600 for each of his wives provided that none of them is enjoying the personal exemption of 1200 set forth in Paragraph (1), alinea (a) of this article, and that she (they) has (have) a source of income, as it is not possible to have to exemptions.
 - 300 Dinars for each of his children under eighteen years old. Persons listed in the exemptions set forth in this article must be living in Palestine to benefit from such exemptions, with the exception of those residing abroad for studying only.

- The term children in this article includes sons and girls taken in charge by the taxpayer and all children unable to gain their living as a result of mental or physical handicap even if they are eighteen years old or more
- Children of eighteen years old, who continue their studies in basic schools or in universities or institutions shall enjoy the exemption set forth in this article until completion of studies or till they become twenty-five years old, whichever period is shorter.
- 2- Any Palestinian non-resident natural person shall enjoy special exemptions related to the parents, wife and children residing in Palestine if this person is in charge of them.
- 3- The widow or divorced woman or any woman who does not live with her husband shall enjoy an exemption of 1200 dinars for herself, while enjoying all other exemptions set forth in paragraph (1) of this article, provided that they live with her or she takes them in charge.
- 4- If the resident is not Palestinian, he/ she shall enjoy the exemptions he/ she is entitled to during the year in which he/ she earned his/ her income at a ration of number of complete months lived in Palestine to the number of a whole year. These persons shall not include persons contracted by the Palestinian National Authority to teach in Palestine for a whole year; such persons shall enjoy complete exemption.
- 5- Any Palestinian natural person shall enjoy an exemption of 1000 dinars per year for spending on his/ her studies, and for each of his/ her children studying in any university or institute for higher education where studies are more than two years, provided that the student is not on scholarship paid by any party and that he/ she cannot sustain him/ herself, and that the number of students included in such exemption does not exceed two.
- 6- 30% of the salaries, wages, bonuses, rewards and allowances paid by the public and private sectors shall be exempted of taxes provided that the sum does not exceed 6000³ dinars per year.
- 7- Rent paid by a resident person or his/ her spouse for his/ her resident or the resident of the persons taken in charge by him/ her in Palestine shall be exempted of taxes whether the leasing contract is in his/ her name or the name of his/ her spouse or the name of the persons taken in charge by him/ her provided that the exempted sum does not exceed 1800 dinars a year.
- 8- Fees of surgical operations and cost of hospitalization and medical care paid by any resident person for him/ her or for any person taken in charge by him/ her shall be exempted from payment of taxes, provided that the exempted sum does not exceed 2000 dinars a year.
- 9- Any sums paid by a worker or employee to pension fund, health insurance, social welfare or any other similar funds recognized by the Minister shall be exempted of taxes.
- 10- Profit or interest paid by any Palestinian natural person residing in Palestine, or by his/ her spouse to buy or build the only resident of the family shall be exempted of taxes, provided that this person and his/ her spouse, or both of them, or any of his/ her kin or family live in this resident, and that the sum of profit or interest exempted in terms of this paragraph does not exceed three thousand dinars per year.

³ It is not clear of this sum refers to the 30% of salaries, or to the deductible sum in terms of taxes on such 30%.

Article Thirteen

Fake Transactions

First: Dealings:

Dealings for the purposes of this paragraph shall include cessation, or donation of assets or making any contract or agreement or arrangement regarding the transfer or income of such assets.

- 1- Without prejudice to the provisions of Article Six of this law, if any income is made as a result of a dealing transaction made by a person for the benefit of any of his/her children under eighteen years old in the beginning of the year during which this income was made, for the purposes of this law, the income made through this transaction shall be considered made by the person who conducted the dealing.
- 2- If an income is made through a revocable dealing, the income shall still be considered earned by the person who performed the dealing.
- 3- A dealing shall be considered revocable if it includes a text allowing for transfer or re-transfer of income to the person who made the dealing, or if it allows for the control over the income or assets made directly or indirectly through this dealing.

Second: Transactions of persons not residing in Palestine

- 1- If a non-resident person makes an act of trade or an activity or profession or any other action that is taxable in accordance with the provisions of this law, with another resident person, and that the tax estimators finds out that because of the special existing relation between the resident and non-resident, and the control that any of them has over the other, that it will be possible to run the trade business, or activity or/ and that it is actually run in a manner that does not leave any income for the resident, or does not allow him/ her to make profit, or that such activity makes him/ her earn less income than he/ she would possible make, taxes shall be estimated in terms of real profits made by the non-resident. The non-resident in this case shall be chargeable in the name of the resident as if the latter acts as an agent to run the business of the non-resident.
- 2- If the tax estimator discovers that the real profits and gains made by the non-resident person and taxable in the name of the resident, cannot easily be calculated in any way, the tax estimator may estimate the taxes payable by the non-resident in terms of the size of activities and transactions made by this person via or with the resident at a reasonable and just percentage.
In such cases, the provisions of
- 3- The provisions set forth in these two paragraphs does not make the non-resident subject to taxes in terms of the provisions of this law, unless the commercial transactions, or industrial work, or any other trade or business for which there has been profit and gain took place in Palestine. The tax estimator may distinguish between trading in Palestine and trading with Palestine.

Third: Accepting partnerships for tax purposes:

- 1) One or more committees of three income tax directorate's employees at least shall be formed by a decision from the Director General, and shall be headed by an employee holding a BA in law.
- 2) This committee shall specialize in accepting or rejecting partnerships in ordinary companies.
- 3) Any partner introduced to the partnership contract or any person delegated by the partners must submit to the tax estimator a report on the company including its income, the share of each partner and his/ her address as well as any other documents, records, and data requested therefrom.
- 4) The tax estimator shall review such documents and papers related to the Company and shall submit a report to the Committee concerned with the acceptance of the partnership, including the following:
 - One- Identification papers.
 - Two- Legal age of each partner at registration of company
 - Three- Source of capital for each partner
 - Four- Shares in profits
 - Five- Actual administration and management of the company
 - Six- Person authorized to act on behalf of the company
 - Seven- Names of persons with authority and control powers in the company
 - Eight- Any other documents or papers requested by the tax estimator
 - Nine- Recommendation to accept or reject the company
- 5) If the Committee is not persuaded of the lawfulness of such partnership, and discovers that the formation thereof is for purposes of tax evasion or reduction, and that the contribution of each partner is not an actual share or suitable part of capital or that such partners are not involved in managing the company, the Committee may refute the company entirely or partly for income tax purposes.
- 6) The Committee must make its decision so as to accept or reject the company entirely or in part within 30 days after referral of the company's file thereto.
- 7) The Committee shall make its decisions by majority and with presentation of justifications; these decisions shall be appealable and revocable when necessary.

Fourth: any fake dealing or transaction shall be rejected and taxes to be made by concerned person shall be estimated as if such dealing or transaction did not take place.

Article Fourteen

Receiving income on behalf of another person

Any person residing in Palestine, regardless of his/ her profession, who:

- 1- receives profit or income subject to the provisions of this law on behalf of another person, or
 - 2- pays to another person or to the account of this person any profit or income in exchange of any work if such payment is to be made outside Palestine:
- must provide the concerned income tax department within fifteen days of the date of reception or payment or registration a report including a real and clear statement of the above mentioned profit or income, detailing the name and address of the person entitled to such profit and income. Tax estimators may request any other person to provide such information.

Article Fifteen

Payment of Taxes on behalf of another person

Any person responsible for payment of taxes on behalf of another person must withhold from any amounts he/ she received by proxy an amount that is sufficient to pay chargeable taxes; this person shall not be sued for payment of such taxes afterwards in accordance with the provisions of this law provided that he/ she submits to the person for whom he/ she received any income the amount and of taxes paid as well as the remaining net income.

Article Sixteen

Taxes on the income of the deceased persons

If any person dies before taxes are charged on his/ her income during the last fiscal year or during three years before this date, the heir receiving the inheritance of the deceased or any person entrusted with the distribution thereof shall be responsible for estimating the tax chargeable on the income of the deceased person and shall pay these taxes from the inherited moneys as if the deceased was still alive.

Article Seventeen

Taxes imposed before distribution of dividends on shares

Taxes shall be charged on the income of any legal personality (company) before distribution of dividends on shareholders. The company and its manager or any of its senior staff shall be financially responsible for withholding (deducting) the payable taxes and paying them to the concerned income tax department. They shall submit to this department all the account sheets and necessary certificates and shall undertake any procedures required by this law.

Article Eighteen

Tax Rates and Brackets

While taking into consideration the provisions of Article Four of this law, taxes shall be levied on the taxable incomes of any person as follows:

First: Natural Persons:

- (1st) Taxes shall be levied on the taxable income of any natural person based on the following rates and brackets:

From 1	– 4000 dinars, 5%
From 4001	– 10000 dinars, 10%
From 10001	– 17000 dinars, 20%
More than 17000 dinars,	30%

- (2nd) Increase of taxes rates chargeable by natural persons shall stop at 30%

Second: companies:

Taxes shall be levied on the taxable income of every company and legal personality at a percentage of 30%.

Article Nineteen

Advance payments

1- Advance payments of natural persons

Every natural person must pay within the first ten days of each month of the ten months starting from February and ending in November of each fiscal year an advance payment on his/ her tax account for the same year at a percentage of (10%) of the amount of taxes imposed on him/ her during the basis year. If this natural person is allowed to calculate his/ her income over a special period in conformity with Article five, paragraph 4, he/ she shall pay the mentioned advanced payment on the account of the fiscal year which ends with the expiry of the special fiscal period, and payments shall be in accordance with the mentioned advance payments.

2- Advance payments of legal personalities

Any legal personality must pay till the tenth day of March, and the tenth day of June, and the tenth of September and the tenth of December four equal advance installments on the account of the taxes payable that same year; each installment shall be calculated on the basis of 25% of the amount of the taxes imposed on this person in the basis year. . If this natural person is allowed to calculate his/ her income over a special period in conformity with Article five, paragraph 4, it shall pay the mentioned advanced payment on the account of the fiscal year which ends with the expiry of the special fiscal period, and payments shall be in accordance with the mentioned advance payments.

3- New taxpayers

Any taxpayer whose income was taxable in the past, but no taxes were levied on such income, must pay advance installments as set forth in Articles (19-1) and (19-2) depending which case applies to this person, on the basis of percentages of the taxes chargeable on his/ her income of this same year based on his/ her personal estimations. This taxpayer must submit to the tax estimator a declaration of the mentioned estimated taxes upon payment of the first installment. Six months after the first declaration, he/ she must submit a second declaration. If this taxpayer does not submit the requested declarations or if the tax estimator is not convinced that such declarations are accurate, the tax estimator may use his/ her own capacities and knowledge to determine the installments chargeable from this taxpayer. The taxpayer may object to or appeal to the decision of the tax estimator as regards these installments in the same manner of objection and appeal on any tax estimation in compliance with Article (30) paragraph (b) and Article (33).

4- Counting sums deductible at source as installment (advance payment)

The sums deductible at source from the income of any taxpayer for a specific year shall, in accordance with articles (20) be considered as a first installment on the account of advance payments chargeable by the taxpayer for the same year, in compliance with Article (19) paragraphs (1,2).

Article Fifty-one

Prohibition of traveling (leaving the country)

- 1- If the tax estimator is convinced that any person is trying to travel outside Palestine in order to delay payment of all or part of the taxes chargeable by him/ her in person or payable by him/ her on behalf of another person, and that this person is about to leave Palestine definitely before the end of the year, the tax estimator may impose the taxes chargeable for the past period of the year, and collect such taxes within fifteen days from the date of notifying this person in writing.
- 2- The Director may request from concerned entities to delay this person or prevent him from traveling. The concerned entities must prohibit this person from leaving Palestine before he/ she pays the taxes chargeable on him/ her.
- 3- Notwithstanding the provisions of any other law, the President of the Authority may, upon recommendation from the Minister, issue any regulations he/ she deems fit in order to collect taxes chargeable from taxpayers, including prohibiting the persons who did not pay their taxes from traveling abroad.

Article Fifty-two

Exemptions, interests and fines

Article Fifty-three

Reimbursements

- 1- If it is proven that a person paid, through deduction or other ways, for any year a sum that exceeds the amount chargeable from him/ her, this person shall have the right of reimbursement of additional sums paid by him/ her. The tax estimator may issue a certificate detailing these sums and reimburse them within a month from the date they were reclaimed by the person.
- 2- The Ministry of Finance must upon reception of this certificate for reimbursement pay back the mentioned sums within a period not exceeding one month from the date it received the certificate.
- 3- Any person subject to any unfair treatment because of a decision of a tax estimator regarding the sums reimbursable in accordance with this provision, shall have the right to object or appeal – as necessary – to this decision in writing within thirty days of being informed thereof.

Article Fifty-four

Deduction at source

The Minister may, upon recommendation from the Director, issue regulations regarding deduction of taxes at source, provided that these regulations state the bodies entitled for such deduction and the merchandise and services included within this system as well as the rates of deduction and any other issues needed for such regulations.

Article Fifty-five

Offenses and sentences

Any person who deliberately evades or tries to evade payment of taxes, or who incites or agrees with or assists another person to evade from payment of taxes by deliberately committing any of the following actions:

- 1- Submitted annual tax declaration on the basis of fake books, records, accounts or documents, and include in this declaration data contradicting with what is registered on the real books, records, accounts or documents, which he/ she did not show to the Income tax Directorate or to any of its specialized departments;
 - 2- Submitted an inaccurate tax declaration, or omit or delete or abolish any income or part of income earned by him/ her and taxable in compliance with this law, in a manner that substantially affected the sums of taxes payable by him/ her;
 - 3- Submitted annual tax declaration on the basis of not having books, records, accounts or documents, with data contradicting what is really registered in the books, records, accounts or documents he/ she hid from tax employee;
 - 4- Destroyed or hide any books, records or documents before expired of the term during which he/ she must keep such books, records or documents in compliance with the laws in effect;
 - 5- Include any fake data or untrue documents in any declaration or statement submitted in compliance with the provisions of this law;
 - 6- Distributed profit on fake partner or partners with the intention of reducing his/ her share of profits;
 - 7- Falsified or altered purchase and sale invoices and other documents with the intention of reducing benefit or increasing losses;
 - 8- Hide any activity or activities which should be taxable;
 - 9- Abstain from submitting the information requested from him/ her or give untrue information or data as regards any matter affecting his/ her liabilities or the liability of another person to payment of income taxes, or affecting the amount of these taxes;
 - 10- Give in writing any false answer to any question asked to him/ her to obtain information or data required by this law, with the objective of evading paying of part of or all taxes;
 - 11- Did not withhold taxes, or withheld taxes but did not pay them to the income tax directorate or to any of its concerned departments;
 - 12- Did not declare the exercise or termination of any activity within the defined period;
- shall be punished, when convicted, for each of these offenses with imprisonment for one week or six months, or with a fine of not less than fifty dinars and not more than five hundred dinars.

Article fifty-six

Without prejudice to the sanctions set forth in the laws of professional ethics, any person authorized to sign financial data, in terms of Article (twenty-five), who ratified tax declaration sheets, and other support documents shall be punished with imprisonment ranging from one month to a year, or with payment of a fine of one thousand dinars or with both in the following two cases:

- 1) if he/ she hides information that came to his/ her knowledge upon performance of duties, which was not declared in the documents he/ she ratified, when

revealing such information is necessary so that these accounts and documents truly reflect the activities of the taxpayer;

- 2) if he/ she hides information that came to his/ her knowledge upon performance of duties about altering or changing the books, accounts, records or documents in a manner that would reduce the benefits or increase the losses.

Article Fifty-seven

Any person who commits the following shall be considered as having committed an offence and shall be punished, when convicted, with a fine of not less than twenty dinars and not more than one hundred dinars:

- 1- if he/ she ignores (does not respond to) any notification or request sent to him/ her in accordance with this law, or
- 2- if he/ she does not attend in person to a notification sent to him/ her to fulfill any of the purposes of this law, or
- 3- if he/ she attends but abstains from answering any question legitimately asked to him/her to fulfill the purposes of this law, or
- 4- if he/ she delays submission (does not submit) the tax declaration stipulated for in paragraph one of Article (29) of this law, or
- 5- if he/ she abstains from obtaining the necessary tax card.

Article Fifty-eight

Any person who commits an offense violating the provisions of this law, or who violates or does not abide to any of the provisions of this law or any of the regulations related thereto, and that there is no punishment stated for such an offense or violation in this law, shall be punished to a fine of not less than twenty dinars or imprisonment of not more than one month or to both sentences.

Article Fifty-nine⁴

- 1- The offenses stipulated for in Articles (55, 56, 57 and 58) of this law shall be reported to the prosecution (attorney) general by a decision from the Minister and upon recommendation from the Director. No public prosecution shall be filed without request from the Minister.
- 2- If the public prosecution was filed, and no final judgment was pronounced, the taxpayer shall pay 100% of the unpaid taxes, in addition to a fine set by the Director.
- 3- In all cases, public prosecution shall come to reconciliation.

Alternative suggestion: The Director may make reconciliation for any offense committed in violation of the provisions of this law, by the fine decided by him/ her. He/ she may also make any final judgment regarding the stoppage of any procedures taken in terms of this law, and may reconcile between parties in accordance with these procedures.

⁴ Not very clear in Arabic.

Article Sixty

Any procedures related to sanctions or fines or imprisonment in accordance with this law shall not exempt any person from payment of taxes.

Article Sixty-one

If any of the acts set forth in this law constitute a crime punishable with a more severe sentence in another law, the provisions of this second law shall apply to the person committing such offence.

Article Sixty-Two

Information which must not be divulged (Confidentiality of Information)

- 1- All the documents, papers, data, declarations and estimation decisions, and any copies thereof as well as any information related to the income of taxpayers or any details on such incomes, shall be considered secret and confidential. Persons implementing the provisions of this law and others shall be prohibited from divulging such information.
- 2- Any person performing official duty to implement the provisions of this law must write and sign a declaration to preserve the official secrets that come to his/ her knowledge, in accordance with the form designed by the Minister.
- 3- No person appointed in terms of the provisions of this law, or in charge of implementing these provisions shall be required to present any document, declaration, lists, or estimation decisions, or any copies of such documents to any court other than the Court of appeal dealing with income tax cases. Any such person shall not be obliged to present or declare before any court any information that came to his/ her knowledge in performing his/ her duties in terms of the provisions of this law, unless such disclosure of information is necessary for the implementation of the provisions of this law upon a decision from the Minister in every case resulting in terms of this paragraph, or for purposes of any offense committed related to taxes.
- 4- Any person who saw information, papers, lists or estimation decisions or any copies thereof regarding the income of another person, and who gives such information or reports it to any person other than those authorized to look into such information, or divulges part or all of this information to another person other than those legally authorized to view this information, shall be considered as having committed an offense contradicting with the provisions of this law. Such offense shall be punishable with a fine of not more than three hundred dinars or with imprisonment for not more than six months or with both sentences.

Article Sixty-Three Administration

- 1- The Income Tax Directorate shall implement the provisions of this law in association with the Minister of Finance. The Directorate shall have a director general and as many assistants, tax estimators and employees as needed.
- 2- The Director may:
 - 1) Exercise the authorities entitled to tax estimators in compliance with the provisions of this law.
 - 2) Form one or more committees of tax estimators to investigate cases of taxpayers and make judgments therein at any of the stages of estimation if so is deemed fit for the interest of work.
 - The committee shall make decisions by unanimity or majority. If the committee comprises of two members and they have divergent opinions, the Director shall appoint a third member to the Committee and the decision made thereby shall be considered issued by a tax estimator in accordance with the provisions of this law.
 - 3) Audit in person or via third party – appointed by him/ her from the employees of the Income Tax Directorate - the decisions emanating from tax estimators, estimating committees – all or in part – including the decisions of tax estimators to approve the annual tax declarations with prior instructions. Auditing decisions shall not be considered legal and abiding unless made within these procedures. Any informing of such decisions shall be void and the Director shall be dismissed in cases of violations to these auditing procedures.
 - 4) Design the forms of tax declaration sheets, notifications, memoranda or any other documents he/ she deems necessary for the implementation of the provisions of this law or any of regulations attached thereto. He/ she may also make amendments or repeal any of these forms.
 - 5) The Director may, with the consent of the Minister, authorize in writing any of the employees of the first or second categories in the Directorate to perform the powers entrusted to him/ her in compliance with the provisions of this law, and in accordance to the terms and conditions set by him/ her.

The Minister shall issue the instructions stipulated for in this law upon recommendation of the Director. The Minister may include in these instructions the bases and sums related to the issues covered by such instructions.

Article Sixty-Four **Authority to issue regulations**

The Council of Ministers may issue necessary regulations for the implementation of the provisions of this law, including:

- 1- Regulating the procedures of appeal and cassation in cases of income tax chargeable in compliance with this law, and ensure that these procedures have provisions related to payment of these fees and other necessary provisions.
- 2- Deduction and payment of taxes on salaries and wages or any other income chargeable in compliance with the provisions of this law.

Article Sixty-Five **Bonuses**

The Council of Ministers may issue instructions and regulations related to bonuses to the employees of the Directorate and others, and to the mode of payment of such bonuses in a manner that would ensure collection of taxes with justice. Every year, an item in the State budget shall be allocated to payment of such bonuses and expenses for the improving and strengthening the work of the Directorate, which should not be less than three-month salary per year per employee.

Article Sixty-Six **Effect of Law No. 25 for the year 1964**

Till issuance of the regulations set forth in Article Sixty-four of this law, the regulations issued in conformity with the provisions of Law No. 25 for the year 1964 and law no. 13 for the year 1947 shall be applicable to the extent that they do not contradict with the provisions of this law.⁵

Article Sixty-Seven **Authority to Issue Instructions**

The Council of Ministers shall form a committee headed by the Minister of Finance to issue recommendations regarding any instructions or guidelines that may be issued in accordance with this law. The Committee shall also be responsible for providing advice for the purposes of this law.

Article Sixty-eight **Conditions for considering services in legal department as judicial service**

The services of any person appointed for legal work in the department shall be considered as judicial services for the purposes of the Law on the Independence of the Judiciary and the Bar Association Law, provided that the legal practitioner has experience in courts specialized with income tax, as prosecution, defender or consultant for at least one year after having obtained his/ her Ph.D. in law with the specialization of financial laws and tax and fiscal disputes, and two year experience

⁵ I think this article contradicts with Article sixty-nine, which leaves the two old laws in effect for imposition of taxes till issuance of this law, and with Article Seventy that repeals the two old laws completely.

after having obtained a Master Degree in law in the same fields, or four-year experience after graduation from law school.

Article Sixty-Nine

Commencement of application of this law and repeal of law no. 25 for the year 1964

- 1- Income tax shall be imposed and levied for every fiscal year before the year () in the West Bank in accordance with Law No. 25 for the year 1964, and in Gaza in accordance with Law No. 13 for the year 1947 and the amendments thereto.
- 2- Income tax shall be chargeable on incomes made in the year () and following years in compliance with the provisions of this law.

Article Seventy

Annulment of Law No. (25) for the year 1964

- 1- Income tax law no. 25 for the year 1964, as amended shall be repealed
- 2- Income tax law no. 13 for the year 1947, as amended shall be repealed

Article Seventy-One

Responsibility of Implementation of the Law

The Prime Minister⁶ and Ministers shall be in charge of enforcing the provisions of this law.

Yasser Arafat

President of the State of Palestine

⁶ This is weird because we do not have a Prime Minister in our system.